

ER-4-4461

AIR

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Atten

Audit

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Your Dispatch

1. I have just learned that due to certain headquarters technicalities a dispatch addressed to you some six weeks ago still has not been sent off. It was written to acknowledge your above dispatch which, incidentally, is the last one we have received, and what I wrote so long ago is now somewhat out of date. Nevertheless, so far as we know the situation has not changed radically and shall now repeat more or less what I said then; I also request that you send to this office periodic reports—not less than once a month—to keep us abreast of what you are doing.

2. In the absence of [ ] the above mentioned dispatch, with one copy of each attachment, was directed to my attention, and I was happy to learn that despite the difficulties encountered in establishing yourself you are making steady progress. Your audit of Headquarters, [ ] together with your recommendations and requests for further action, addressed to the Comptroller, [ ] will start the wheels rolling. In due course we shall expect to receive copies of the Finance Office's report on action taken.

3. We note that there has been a change in the original thinking, which envisioned a central finance office in the [ ] accounts would be sent for administrative audit—and final audit by [ ] that now accounts are to be left in the several large stations, where the final audit will be made. I have discussed this matter with the Finance Division here and although definite plans are still in the making, and the Finance Division is waiting an anticipated report from the Comptroller, [ ] I gather that the Comptroller's earlier plans for the establishment of the [ ] finance organization are to be somewhat altered, to fit more exactly the altered requirements of the [ ] organization itself. In any event, with your headquarters established nearby you will enjoy relatively easy access to the several stations and we have no doubt that you will be able to adjust your function to the financial organization of MAC as it evolves. Very shortly, also, you will have the benefit of [ ] advice and guidance, and at this distance certainly I would not presume to offer other counsel. Doubtless you know that his travel

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schedule was delayed by his illness, but I am glad to report that he has now recovered and is on his way.

4. Your tight staff situation, however, is one on which you must fall back on Washington headquarters for help, and before now you will have been relieved to some extent by the arrival of [redacted]. We are now in process of sending out to you another junior and a clerk-steno, and will cable concerning their status in the next few days.

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5. Heretofore correspondence between your office and this has not followed the procedures prescribed by [redacted], and we are now advised that it should conform. It is understood that by utilizing those established channels for ordinary audit correspondence we shall in no way violate the intent of paragraphs 4 and 5 of the "Memorandum of Understanding" dated 19 March 1953. In the future, therefore, ordinary dispatches to you will be addressed in the manner of this communication, and you will address this office as follows:

TO : Chief, FE  
ATTN : Chief, [redacted]  
FROM : Senior Representative, [redacted]  
SUBJECT : General: Audit

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Your advices to us should be signed in pseudonym and any attachments, such as those mentioned in your dispatch [redacted] (which were actually forwarded by subsequent mail), should also refer to names by pseudonym and should be forwarded with covering dispatch.

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The only exceptions to this rule are as provided by [redacted] and where you may use the special indicator [redacted]. This indicator has been established for use in direct mail correspondence between yourself and the Auditor-in-Chief. Procedure for its use, should direct communication be necessary (refer last phrase of paragraph 4 and paragraph 5 of "Memorandum of Understanding"), is found in KUBARK [redacted].

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6. As suggested in your closing sentences, I am sure that with the spade work you have done behind you [redacted] visit will afford you the opportunity to tie up any loose ends.

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7. We are also setting up a special cable indicator, and will advise you as to its use shortly.

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STB:map  
(10 August 1953)

DD/ach  
(Col. White)  
referred to  
11 Aug. 53 CRO